

- A. The Federal Communications Commission should adopt an interim universal service contribution methodology regime while the FCC continues to examine the creation of a long-term contribution regime.
- B. The interim regime should be based on interstate end-user revenues as a contribution base. The FCC should utilize a “collect and remit” system whereby USAC would set the quarterly contribution percentage based on projected fund needs and projections of collected revenues. Carriers would then remit payments based on USAC percentage applied to interstate revenues actually collected.
- c. There should be parity in the contribution methodology among all telecommunications providers. The FCC should raise the “safe harbor” contribution limits for wireless carriers to 20-28% unless the wireless carrier can determine its actual interstate revenue. In addition, the safe harbor percentages should be applied on a company-wide basis.
- D. For purposes of reporting interstate revenue, a CLEC should impute an amount equal to the SLC charged by the ILEC in that CLEC's serving area. CLECs should have the option of reporting the actual amount charged by the ILEC or the nationwide SLC cap.
- E. There should be parity in contribution obligations among all broadband providers.
- F. The FCC should impose a cap on the recovery of administrative, billing and overhead costs which contributors would be allowed to include in their universal service charge which appears on customers' bills.
- G. This interim contribution methodology does not supercede the positions taken by USTA in its comments and reply comments filed in this proceeding on April 22, 2002, and May 13, 2002, respectively.

10/17/02